



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
HEADQUARTERS UNITED STATES ARMY FORCES COMMAND  
1777 HARDEE AVENUE SW  
FORT McPHERSON, GEORGIA 30330-1062

AFLG-PR

10 July 2001

MEMORANDUM FOR ALL FORSCOM DOCS

SUBJECT: Contract Information Letter 01-25, Commercial Acquisitions

1. Reference:

a. Memorandum, SAAL-PR, dated 26 March 2001, subject: Commercial Acquisitions (enclosure 1).

b. Copy of Commercial Acquisition Implementation Plan (enclosure 2).

2. The Department of the Army has requested that the acquisition of commercial items, under Part 12 of the Federal Acquisition Regulation (FAR), be increased by 50 percent by fiscal year (FY) 2005, utilizing a 1999 baseline of \$2,479 million. This change is effective immediately.

3. The Commercial Acquisition Implementation Plan is enclosed to ensure that all acquisition teams are aware of the Army's objective, policy, goals and actions for acquisition of commercial items.

4. This area will continue to be assessed by the Office of the Principal Assistant Responsible for Contracting during biennial Contract Management Reviews (CMRs). Progress in this area will also be tracked at DA level.

5. Point of contact for the above action is Nancy Ware, DSN 367-5559 or email: [warenancy@forscom.army.mil](mailto:warenancy@forscom.army.mil).

Encls  
as

CHARLES J. GUTA  
Colonel, AC  
Chief, Contracting Division, DCSLOG  
Principal Assistant Responsible  
for Contracting

AFLG-PR  
SUBJECT: Commercial Acquisitions

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HELPER TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY  
ACQUISITION LOGISTICS AND TECHNOLOGY  
103 ARMY PENTAGON  
WASHINGTON DC 20310-0103

26 MAR 2001

SAAL-PR

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Commercial Acquisitions

The enclosed plan to increase the use of Federal Acquisition Regulation (FAR) Part 12 for the acquisition of commercial items was developed in response to a request from the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)).

You are requested to take appropriate action to ensure your acquisition team is aware of the goals imbedded in the plan and utilize FAR Part 12, as appropriate.

The office of the Deputy Assistant Secretary of the Army for Procurement (DASA(P)) will track our progress at the Army level. Please contact Mr. James Sullivan, SAAL-PR, commercial (703) 681-1052 or DSN 761-1052, if you have any questions.

Kenneth J. Oscar  
Acting Assistant Secretary of the Army  
(Acquisition, Logistics and Technology)

Enclosure

DISTRIBUTION:  
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ENCL 1

Commercial Acquisitions  
Increasing the Use of FAR Part 12  
Assistant Secretary of the Army (Acquisition, Logistics and Technology)  
Implementation Plan

**OBJECTIVE:**

To achieve the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(ALT)) directed goal of increasing the use of Federal Acquisition Regulation (FAR) Part 12 the following Army goals and activities are planned.

**GOALS:**

The Army-wide goals are to:

- a. Double the dollar value of FAR Part 12 contract actions awarded in 1999 by the end of fiscal year (FY) 2005. The 1999 baseline is \$2,479 million.
- b. Increase the number of FAR Part 12 contract actions awarded to 50 percent of all Army contract actions by the end of FY 2005.

(Note: For the purposes of these goals, a contract action is defined as any new contract award and/or new delivery order placed against a contract awarded with a value greater than \$25,000.)

**ACTION ITEMS:**

a. Policy – Effective immediately, all services, excluding FAR Part 36 – Construction and Architect Engineering Contracts, are presumed to be commercial in accordance with the FAR Part 2 definition of commercial item. FAR Part 12 policies and procedures will be used to buy these services. For those services where the results of market research indicate that the service is not commercial, the local Competition Advocate must approve the commercial determination.

b. Class Commerciality Determinations – A concerted effort will commence to identify and declare as commercial, certain categories or classes of items/services. This effort will build on the findings of the Commercial Designation Integrated Process Team. Possible categories include Federal Supply Codes, the North American Industrial Classification System, et al.

c. Awareness – The office of the Deputy Assistant Secretary of the Army for Procurement (DASA(P)), will develop a Commercial Acquisitions community of practice area within the Army's internet-based Procurement Knowledge Center. This knowledge management environment will be used to provide and share information on best practices, lessons learned, market research, pricing tools, unique opportunities, etc.

d. Training – The office of the DASA(P) will develop/update associated courses. Army MACOMS will be directed to ensure all members of the acquisition team (requirements, program management, logistics, contracting, legal, etc.), are aware of the OSD emphasis on commercial item acquisitions and are properly trained in market research, performance requirements, and the use of FAR Part 12.

e. Metric – The office of the DASA(P) will develop a metric to track the Army goals on a quarterly basis. The metric will be developed in accordance with the methodology OSD used to establish the goals.

f. Management Emphasis – The appropriate use of FAR Part 12 for acquisition of commercial items has been added to the DASA(P)'s Areas of Special Interest. In accordance with the Army Federal Acquisition Regulation (AFARS), Appendix EE, the Army's Procurement Management Assistant (PMA) team will assess progress in this area. The Principal Assistants for Contracting (PARCs) are also required to review this area at the subordinate command level.

MAR 26 2001

Approved by:

  
Kenneth J. Oscar

Acting Assistant Secretary of the Army  
(Acquisition, Logistics and Technology)